

Employees' Retirement System of the County of Milwaukee
Investment Committee Meeting
Minutes of the October 4, 2007

1. Call to Order

Chairman Sarah Peck called the meeting to order at 3:02 p.m. in Conference Room 203 P of the Milwaukee County Courthouse at 901 North 9th Street, Milwaukee, WI 53233.

2. Roll Call

Members Present:

Sarah Peck, Chairperson
Dean Roepke
Linda Bedford

Members Excused:

Michael Ostermeyer

Others Present:

Jack Hohrein, ERS Manager
Mark Grady, Principal Assistant Corporation Counsel
Cory Nettles, Generation Growth Capital, Inc
John Reinke, Generation Growth Capital, Inc
Pat Silvestri, Mercer Investment Consulting
Terry Dennison, Mercer Investment Consulting
Guy Cooper, Mercer Investment Consulting

3. Review of Westfield Capital Performance

Mr. Dennison reviewed page 3 of the August Flash report Detailing Westfield's performance. He noted that Westfield sells and purchases could be questioned but that they were well disciplined, good in down markets and performance was not far off the benchmark's. The Committee decided no action was necessary at this time, but continued review was needed.

4. Securities Lending in Current Market Conditions

Mercer reviewed their September 21, 2007 letter with the Committee and noted that the August market may cause damage to security lending. They noted that counter party risk now comes into play from hedge funds, because the number of counter parts is lower and the value will drop over time. Mercer recommended that the custodian contract and securities lending services be reviewed at this time to determine the composition of the collateral pool. Mercer would provide sample contract language and Mellon would be placed on notice.

5. Economically Targeted Investments – Generation Growth Capital
Mr. Nettles and Mr. Reinke reviewed their report dated October 4, 2007, which focused on investments in Wisconsin.

Ms. Bedford asked what steps could be taken to follow up this presentation. The Committee decided to ask Adams Street Partners to review potential investment in GGC.

6. Future Topics
The Committee reviewed the list of future topics and added continued review of Global REIT managers.
7. Adjournment
The meeting was adjourned at 4:39 P. M.

Submitted by
Jack L. Hohrein
Pension Board Secretary